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24 FEB 1962

MEMORANDUM FOR: Director of Central Intelligence

TO: Deputy Director/Support
Inspector General

SUBJECT: State Department Draft Bill to Amend
Communications Act of 1934, As Amended

1. This memorandum is for the information of the Director of Central Intelligence.

2. On 7 February 1962, Mr. James Hyde, Bureau of the Budget, requested this Agency's informal comments on a draft bill which has been proposed by the State Department amending the Communications Act of 1934 so as to permit reciprocity between this country and foreign governments in establishing low power radio stations. The Bureau of the Budget's request and a copy of the draft bill are attached as Tab A. Comments were requested from the DD/P, DD/I and the Office of Communications.

3. The DD/I had no comment on the proposal. Comments from the Office of Communications, concurred in by the DD/P, are attached as Tab B. The present proposal, except for one minor change, is identical to an earlier proposal which this Agency supported in 1956. (Tab C)

4. The Bureau of the Budget has been advised orally that this Agency still favors the enactment of such legislation. However, we have emphasized to the Bureau that our interest in the proposal involves sensitive and classified areas and, therefore, we would not want our interest openly disclosed. Mr. Hyde appreciates these sensitive aspects and will respect them. This legislation could encounter difficulty from several sources. They have been identified in the State Department's proposed letter of transmittal to the Speaker of the House (included in

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Tab. 4). Therefore, there may be some question as to whether the Bureau of the Budget and the White House will decide to go forward with the proposal at this time. Mr. Hyde commented in this connection that, if a decision was made to proceed, preliminary discussions with appropriate committees should be undertaken by the State Department.

5. As indicated, this bill could encounter difficulty either in committee or on the floor of the Congress. However, I wished to advise you that, consistent with our previous position on earlier proposals, we have again advised the Bureau of the Budget that we favor this proposed legislation provided public debate would not result in disclosures harmful to the Agency.

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Legislative Counsel

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Attachments: Tabs A, B, C

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OCC/LC/GLC:jmd (24 Feb 62)

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